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ANNEX D

(Revised April 9, 1956)

EVALUATION AND RANKING OF

ITEMS ON THE CONSOLIDATED CHINA SPECIAL LIST AND THOSE ITEMS ON THE COCOM LIST WHICH HAVE BEEN PROPOSED BY UNITED KINGDOM AND JAPAN FOR REMOVAL FROM CHINA DIFFERENTIAL CONTROLS.

Listed in this document are 247 items. These include all items listed in the Consolidated China Special List (of July 13, 1955) and any other items subject to international control by COCOM which the governments of the United Kingdom and Japan have recently proposed for removal from differential controls. This list of 247 items differs in coverage from the 297 items referred to in earlier documents in that items which appear on the COCOM list which were not specifically mentioned by the Japanese or the British are not included.

This list is the result of two general types of analysis: (a) review by CIA and the Department of Defense to arrange the items so far as possible into three groups of relative strategic and economic significance to Communist China and (b) an evaluation by the Departments of Commerce and State of the advantage to the free world countries of the opportunity for unrestricted trade with Communist China in these commodities.

The CIA and Defense attempted to achieve as high a degree of unanimity in their evaluations as was consistent with the methods of analysis each believed to be suitable for this exercise.

Basis for Department of Defense Judgment

The Department of Defense judges that a rating of least economic and strategic significance (List A) applies where available data indicate (1) there is presently no short supply in the Sino-Soviet Bloc and/or (2) a low level of estimated requirements in Communist China, and/or (3) non-essentiality to planned industrial expansion or direct military demand. A rating of average economic and strategic significance (List B) applies where available data indicate (1) there is presently a tightness in the Sino-Soviet Bloc in the capacity to produce the items in question, and/or (2) reasonably adequate substitutes are available. A rating of greatest economic and strategic significance (List C) applies where available data indicate that (1) the items are in short supply and the shortage cannot be readily overcome within the Sino-Soviet bloc by reason of high economic cost or complexity (2) advanced technology is incorporated in the items and/or (3) there is a substantial direct military demand.

Basis for CIA Judgment

The two factors considered in evaluating the significance to Communist China of individual items under differential controls are the supply or availability to Communist China and importance to major industrial sectors. The relative weight placed on these factors is a matter of qualitative judgment. CIA considers that the items agreed with Defense as being of least and average significance (Lists A and B) are those in which internal

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Bloc sources are most adequate to meet major Communist Chinese requirements. The distinction is between items that are of least and of those that are of average significance to major sectors of an industrial economy. All of the remaining items, presently in Defense's List C are of greater significance to major industrial sectors than items in the preceding categories. However, on the basis of the Bloc's comparative ability and apparent determination to assist in meeting China's planned industrial requirements, a number of the items presently in List C might have been placed in List B. CIA has sought to place items in Category C when they were both of greatest significance to major industrial sectors and their availability to Communist China was in doubt. Factors considered as limiting the availability of these items to Communist China include:

- 1) Free World know-how in technology or production is superior to the Soviet Bloc.
- 2) There is a high cost or difficulty of transport resulting from the operation of present differential controls.
- 3) Most clearly and persistently documented cases of overall Bloc shortages have been established.

Consequently the items identified by CIA as being of greatest economic and strategic significance to Communist China are those for which the continuation of control has a most probable adverse effect on Chinese industrial growth.

Summary of CIA and Defense Ratings

At the conclusion of the joint review, Defense and CIA were in agreement that 37 items should be classified as List A.^{1/} As for List B, the CIA and Defense were agreed that the 37 items shown in Tab D 1 should be classified as having average strategic and economic significance to the Communist Chinese. The CIA believed that other items or parts of items shown in List C of Tab D 1 could also be included on List B. As noted on the table the Department of Defense judges all the items on List C to be of greatest strategic and economic importance to Communist China. CIA, however, believes that only 41 of the 166 items on List C can be so characterized under present differential and trade controls. These items are indicated on the list by the letter (f) following the list number.

NOTE (April 9, 1956): This revision includes the study of the 24 items in List C with the footnote (e). As a result 3 item portions have been added to Group I in List B and 4 item portions have been added to Group II in List B. The remaining portions of those items remain on List C. Footnote (e) on List C should now be disregarded.

^{1/} Notwithstanding the fact that in Tab A 1, pages 43 and 44 that this list consisted of 34 items. The list of 37 items represents a further review and revision.

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Commerce and State Judgment of Economic and Commercial Importance to the Free World.

With respect to the importance of increased trade in each industry upon the economies of the COCOM countries and their territories, the ratings appearing in the tables represent a subjective judgment of representatives of the Department of Commerce and State. In order to be as consistent as possible, a standard method of evaluation was applied to both the free world countries and Japan. Because many of the categories proposed by these two governments*could not be evaluated as independent groups, products of reasonably homogeneous industries were analyzed together. A study was made of each of the homogeneous groups to determine whether a significant part of the output of each industry might be made available for trade with China. For each of the industry groups, the following indicators of the economic conditions in each important COCOM producing country were investigated: (a) present production compared with capacity; (b) prospects for continuing or achieving near capacity production in the future (six months to a year); (c) recent export levels; (d) prospective export market; (e) strength of home market; (f) in the case of Japan, identification of items that are considered "bait" for imports badly needed by the Japanese economy; and (g) likelihood or possibility of diverting output of an industry operating at capacity from home use to export sales for balance of payments reasons. The economic position of each industry in each country was rated on a scale of 1 to 4, defined as follows: (1) important (2) probably important (3) probably unimportant and (4) unimportant. An intermediate classification between (2) and (3) was identified as 2-3. In making these judgments it was recognized that irrespective of the present state of any industry most countries would have a strong interest in developing a market in China. This factor was purposely ignored in making the ratings, since it would have tended to bring about a series of high ratings. Account was also taken of the volume and distribution countrywise of the exceptions which have been approved in CHINCOM.

Ranking of Items in Lists A and B.

A further ranking of items selected by Defense and CIA as falling in lists A and B was attempted by representatives of State and Commerce. Account was taken in these rankings of the significance of the items for both Communist China and the Free World. As a consequence -- Groups I, II and III were set up within List A and Groups I and II within List B. No items were shifted from List A to List B, or vice-versa, during this exercise, but some shift in rankings within each list was made in order to reflect the possible importance of volume of potential trade. In the following tabulation the relative importance of the factors are noted:

* The United Kingdom and Japan

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Economic and Strategic
Importance to Communist
China

Economic and Commercial
Interest to the Free
World

List A

Group I	Least	Important
Group II	Least	Average importance
Group III	Least	Not important

List B

Group I	Average	Not important
Group II	Average	Important

Asterisks were affixed to items in Tab D 1 for which the volume of trade might be of some importance.

Throughout the table items have been identified which have been proposed by the United Kingdom and Japan in special communications to the US for priority action. The United Kingdom's list ranked 16 groups of items, including 89 individual items. The Japanese proposed a first priority for 61 items and second priority for 73 items. In addition, Japan requested US concurrence to exceptions requests on 8 items.^{1/} The number of items falling in the various categories are recorded in the following table.

^{1/} The Japanese request mentioned 11 items, but only 8 of the item numbers used in this review were affected.

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Total Items	Japanese Priority I	Japanese Priority II	Japanese Exception Requested	British Priority	Items on Both British and Japanese List	Items Not on Priority Lists
<u>List A</u>						
Group I	14	8	6	0	9	9
Group II	11	0	0	0	0	11
Group III	12	0	1	0	0	12
Sub-total	37	8	7	0	9	20
<u>List B</u>						
Group I	24	1	8	0	10	6
Group II	20	9	4	0	8	5
Sub-total	44	10	12	0	18	15
<u>List C</u>						
Ranking 1	12	9	7	6	7	7
Ranking 2	60	29	31	1	27	27
Ranking 2-3	16	3	12	0	2	1
Ranking 3	45	4	2	1	23	5
Ranking 4	33	2	4	0	5	0
Sub-total	166	47	56	8	64	40
Grand-total	247	65	75	8	97	60

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ANNEX D TAB D-1

(Revised April 9, 1956)

ITEMS ON THE CONSOLIDATED CHINA SPECIAL LIST AND THOSE ITEMS ON THE COCOM LIST WHICH HAVE BEEN PROPOSED BY UNITED KINGDOM AND JAPAN FOR REMOVAL FROM CHINA DIFFERENTIAL CONTROLS

List A

Items Judged by Defense and CIA to Have Least Strategic and Economic Significance for Communist China

<u>Group I^a</u>	<u>brief Item Description</u>	<u>Japanese Priority</u>		<u>British List</u>
		<u>I</u>	<u>II</u>	<u>Priority Ranking</u>
*C-625	Tinplate		X	3
*C-669	Zinc	X		15
*C-710	Acetic acid and acetic anhydride	X		4
*C-711	Acetone	X		4
*C-720	Cellulose nitrate containing not more than 12.3 percent nitrogen		X	
*C-722	Chromium compounds	X		4
*C-728	Formaldehyde	X		4
*C-730	Glycerine		X	4
*C-731	Hydroquinone	X		
*C-733	Methanol	X		
*C-735	Methyl methacrylates		X	
*C-738	Paraffin wax; petroleum jelly		X	4
*C-742	Permanganates: calcium and potassium		X	
*C-758	Vinyl; and vinylidene resins	X		4

* Potentially important in volume of trade.

a. This breakdown of List A takes into account the economic and commercial importance of potential trade in these items. Commodities in Group I are thought to have the greatest economic interest to Western Europe and Japan and Group III the least.

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List A (continued)

<u>Group II^a</u>	<u>Brief Item Description</u>	<u>Japanese Priority</u>		<u>British List Priority Ranking</u>
		I	II	
C-704	Metallo-organic artificial colouring matters			
C-705	Hydraulic fluids or oils, castor oil base			
C-712	Aluminium chloride (anhydrous)			
C-713	Aniline			
C-720	Glycols and their derivatives			
C-732	Iso-propylalcohol			
C-739	p-aminophenol and salts			
C-743	Persulphates: sodium, potassium and ammonium			
C-755	Thallium bromoiodide			
C-770	Naphtha mineral spirits and solvents			
C-788	Coke and coke flour derived from petroleum or coal tar pitch			

a. This breakdown of List A takes into account the economic and commercial importance of potential trade in these items. Commodities in Group I are thought to have the greatest economic interest to Western Europe and Japan and Group III the least.

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List A (continued)

<u>Group III^a</u>	<u>Brief Item Description</u>	<u>Japanese Priority</u>		<u>British List Priority Ranking</u>
		<u>I</u>	<u>II</u>	
C-142	Molding machines for plastics			
C-315	Hard-chrome plating plants			
C-388	Dynamometers capable of absorbing more than 300 h.p.			
C-578	Warburg apparatus for the examination of living tissue			7
C-640	Antimony			15
C-642	Calcium metal			
C-680	Raw and manufactured asbestos			
C-685	Mica			
C-690	Steatite (talc)			
C-771	Petroleum asphalt		X	
C-905	Asbestos textiles and yarn			
C-920	Photo-plan printing machines, non-optical			

a. This breakdown of List A takes into account the economic and commercial importance of potential trade in these items. Commodities in Group I are thought to have the greatest economic interest to Western Europe and Japan and Group III the least.

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List B

Items Judged By Defense and CIA to Have Average Strategic
And Economic Significance to Communist China.

Brief Item Description	Japanese Priority		British List Priority
	1	2	Ranking
Group I ^b			
C-302 Furnace equipment: pressure top equipment			
C-316 Metal spraying equipment			
C-350 Carbon-black manufacturing plant, n.e.s.			9
C-376 Air conditioning units (self-contained)		X	
C-382 Jacks, 10-ton and over			
C-395 Precipitators (electrostatic)		X	
*C-401 Watercraft, n.e.s. and important components, n.e.s.	X		10
*C-576 Telescopes and binoculars	X		7
C-584 Micro-hardness testers	X		7
C-586 Strain gauge equipment, electric recording and specialized parts	X		7
*C-610 Flexible metal tubing, n.e.s			3
C-616 Barbed wire			
C-650 Lead, in semi-fabricated and other such forms, n.e.s.	X		15
C-663 Strontium			
C-665 Tin			3

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List B (Continued)

Brief Item Description	Japanese Priority		British List Priority
	1	2	Ranking
Group I (Continued): ^b			
C-666 Ferro-titanium			
C-667 Tungsten			
C-715 Benzine or benzole			
*C-805 Rubber scrap			1
C-840 Water lubricated bearings, n.e.s.			
3055 Horizontal draw-cut shapers		X	8

Item Portions Added in Revision of April 9, 1956,
(EDAC Addenda March 28 and April 5, 1956):

C-116	Sulphur burners and pyrite burners as follows: Kiln type sulphur burners and pyrite burners.
C-117	Water treatment equipment, industrial as follows: Zeolite or Lime-Soda process equipment.
C-301	Cupolas having a maximum shell thickness of 3/8", job shop green and/or dry sand molding process equipment, N.E.S., tumblers, woodworking pattern equipment.

b. This breakdown of List B takes into account the economic and commercial importance of potential trade in these items. Commodities in Group I are thought to have lesser economic interest to Western Europe and Japan and Group II the greater.

* Potentially important in volume of trade.

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List B (Continued)

Brief Item Description	Japanese Priority		British List Priority
	1	2	Ranking
Group II; ^b			
C-211. Electrodes (artificial graphite)		X	
C-352. Equipment for manufacturing off synthetic fibers			
C-381. Conveyor belting		X	
C-702. Flotation reagents, synthetic organic			
*C-716. Bismuth compounds			4
C-717. Calcium carbide		X	
C-718. Carbon black, n.e.s		X	
C-723. Cresylic acid			4
C-724. 1:2 Dibromoethane (ethylene dibromide)			
C-740. P-phenylenediamine			
C-744. Phosphorus (Red only)		X	
C-745. Phosphoric acid catalyst			
C-746. Phthalic anhydride		X	4
C-752. Sodium cyanide (chemical grades)		X	
C-756. Tricresyl phosphate		X	
3753. Phenol			4

b. This breakdown of List B takes into account the economic and commercial importance of potential trade in these items. Commodities in Group I are thought to have lesser economic interest to Western Europe and Japan and Group II the greater.

* Potentially important in volume of trade.

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List B (Continued)

Brief Item Description	Japanese Priority 1	British List Priority Ranking 2
<u>Group II (Continued):^b</u>		
<u>Item Portions Added in Revision of April 9, 1956</u> <u>(EDAC Addendum March 28, 1956):</u>		
C-256 Internal combustion engines, single cylinder type of 27 H.P. and under.	X	X 6
C-351 Mining equipment and machinery, n.e.s. as follows: underground rocker, shovels and loading machinery.	X	12
C-450 Motor vehicles and equipment as follows: tricycle trucks under half ton loading capacity.	X	1
C-635 Iron and Steel Products as follows: galvanized sheet .63 mm and under; pipe fittings made of malleable iron, n.e.s.	X	X 3

b. This breakdown of List B takes into account the economic and commercial importance of potential trade in these items. Commodities in Group I are thought to have lesser economic interest to Western Europe and Japan and Group II the greater.

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List C

Items Judged by Defense to Be of Greatest Economic and Strategic Significance to Communist China.

Brief Item Description	Japanese Priority		British List Priority
	1	2	Ranking
Ranking 1:			
C-256 ^d Internal combustion engines, n.e.s.	X	X	6
C-430 Steel cable, rope, strand or cord of all types, n.e.s.	X		
C-450 ^{f,g} Motor vehicles and equipment, n.e.s.	X		1
C-470 ^g Locomotives and locomotive parts	X		5
*C-471 ^{f,g} Railway rolling stock, n.e.s. and parts.	X		5
C-472 Railway rails, n.e.s.		X	5
C-605 ^f Transformer and choke laminations and core assemblies, n.e.s.	X		
C-635 ^g Iron and steel products, n.e.s.	X	X	3
2416 ^{f,g} Fishing vessels and hulls therefor	X	X	
3256 Diesel engines, n.e.s.	X	X	
3416 ^f Fishing vessels		X	
3477 Railway rails	X		5

c. CIA, on the basis of the available intelligence considers that only 41 items can be characterized as being of greatest strategic and economic significance to Communist China under present differential trade controls. These items are indicated by the letter (f) following the number.

d. Groups ranked in order of economic and commercial significance.

e. There are a significant number of items on the original differential list which by definition cover a broad list of specific items representing as a whole large requirements and investment. It was not possible to arrive at a firm rating for these items. However, both OIA and Defense agree that some

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List C (Continued)

Ranking 1 footnotes continued:

e. (continued):

~~portion of these categories could be down-rated. Pending further clarification and review of these broad categories they should be protected as items of greatest strategic/economic significance.~~

f. See footnote c.

g. Japanese Short List of December 15, 1955. These are items on which Japanese would like U.S. agreement to exceptions requests in order to avoid Battle Act penalties.

* Potentially important in volume of trade.

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List C (Continued)

Brief Item Description	Japanese Priority		British List
	1	2	Priority Ranking
Ranking 2: d			
C-001 Metal-working machinery and accessories	X		8
C-113 Chemical process vessels, tanks, and vats	X		
C-143 Pipe and tubing, n.e.s., corrosion resistant	X		
C-210 Welding machines and equipment, n.e.s.	X	X	8
C-260 Electric motors, n.e.s.	X		2
C-266 ^f Power equipment	X		2
C-320 Materials-handling equipment	X	X	
C-321 Civil engineering and building equipment	X	X	12
C-330 Calenders (rubber-working) with 3 or more rolls, etc.	X		
C-331 Masterbatch mixers, with automatically controlled time cycle, etc.	X		
C-351 Mining equipment and machinery, n.e.s.	X		12
C-375 Abrasives	X	X	
C-380 ^f Compressors and blowers, n.e.s.	X		11
C-381 ^g Portable hand-held power tools (pneumatic, electric and petrol operated)	X	X	8
C-383 Crushing Equipment	X		
C-385 Core drills, and core drill bits, n.e.s.	X		
C-502 Detection apparatus	X		
C-504 Sub-miniature electronic circuit components, etc.	X		

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List C (Continued)

List C (Continued)

Japanese Priority	British List
Priority	Ranking

	Brief Item Description	1	2	Ranking
Ranking 2 (continued):				
C-509	Radar and radio navigation equipment, including direction finders, n.e.s.		X	
C-561	Bridges for measuring capacitance impedance, inductance - precision types.	X		7
C-566	Measuring and testing instruments for use in engineering workshops, n.e.s.	X	X	7
C-567	Metallurgical microscopes, n.e.s.	X	X	7
C-568	pH meters, n.e.s. and components thereof	X		7
C-572	Pyrometers	X		7
C-574	Spectrographs, spectrometers, and monochrometers, n.e.s.	X		7
C-577	Voltmeters, ammeters, and micro-meters	X		7
C-601	Anti-friction bearings and parts, n.e.s.	X		
C-630	Aluminium or aluminium alloys in semi-fabricated forms, n.e.s.	X		
C-703	Ships' bottom compositions: anti-corrosive and anti-fouling		X	10
C-706	Rubber-compounding agents	X		
C-714	Barium chromate			
C-721	Chlorates; and preparations consisting mainly thereof	X	X	4
C-725	NN-Dimethylaniline	X		

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List C (Continued)^c

Brief Item Description	Japanese Priority	British List Priority	British List Ranking
	1	2	
Ranking 2 (Continued);^d			
C-727	Fluorinated hydrocarbons		
C-734	Methyl-isobutylketone	X	
C-736	Monochlorobenzene; mononitrobenzene		
C-737	Nitric acid; ammonium nitrate, potassium nitrate	X	
C-744	Phosphorus, white only	X	
C-747	Polyisobutylene		
C-751	Silicon (e) organic compounds, n.e.s		
C-753	Sulphuric acid	X	
C-754	Styrene; dichlorostyrene, polydichlorostyrene and its moulding powders, sheets, rods and tubes		
C-757	Vanadium compounds (including catalysts)		
C-787	Liquid gum inhibitors		
2003 f	Horizontal combination boring drilling and milling machines	X	
2266f	Electric generators, turbo-generators, turbines designed for turbo-generators, n.e.s.	X	
2601f	Anti-friction bearings and parts	X	
3008	Multi-station machine tools	X	8
3010	External cylindrical grinding machines	X	8
3011 f	Internal cylindrical grinding machines	X	8

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List C (Continued)^c

Brief Item Description	Japanese Priority		British List Priority
	1	2	Ranking
Ranking 2 (Continued):^d			
3017 Single-spindle surface grinders with a table 12 inches or over, n.e.s.		X	8
3034 Axle lathes	X		8
3067 ^f Metal cutting and working tools	X		8
3068 Carbide and carbide-tipped cutting tools or dies	X		8
3072 ^f Presses, mechanical and hydraulic with a pressure of 1,000 tons or less	X		8
3265 Electric motors, n.e.s.	X		2
3323 Power operated excavators	X	X	13
3601 ^f Anti-friction bearings and parts	X		
3720 Fluorinated hydrocarbons	X	X	
3761 Sulphur (from whatever source)	X		

c. CIA, on the basis of the available intelligence, considers that only 41 items can be characterized as being of greatest strategic and economic significance to Communist China under present differential trade controls. These items are indicated by the letter (f) following the number.

d. Groups ranked in order of economic and commercial significance.

e. There are a significant number of items on the original differential list which by definition cover a broad list of specific items representing as a whole large requirements and investment. It was not possible to arrive at a firm rating for these items. However, both CIA and Defense agree that some portion of these categories could be down-rated. Pending further clarification and review of these broad categories they should be protected as items of greatest strategic economic significance.

f. See footnote c.

g. Japanese Short List of December 15, 1955. These are items on which Japanese would like U.S. agreement to exceptions requests in order to avoid Battle Act penalties.

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List C (Continued)^c

Brief Item Description	Japanese Priority	British List Priority	Ranking
	1	2	
Ranking 2-3: ^d			
C-107 Driers for chemical processes		X	
C-117 Water treatment equipment, industrial, n.e.s.		X	
C-121 Evaporators, multiple-effect		X	
C-131 ^f Pumps (except vacuum pumps) delivering liquids separately or in combination with solids and/or gases, etc., n.e.s.		X	
C-132 ^f Vacuum pumps (and parts) n.e.s., all types		X	
C-140 Storage or transportation containers		X	
C-270 ^f Turbines all types over 300 h.p., n.e.s.			2
C-501 ^f Telecommunication equipment	X	X	
C-571 ^f Precision, scientific, and optical instruments, n.e.s.	X	X	7
C-701 ^f Explosives, n.e.s.			
C-719 Cellulose, ethyl			
C-741 Perchloric acid; and its salts			
2568 ^f Electronic automatic controlling units		X	
3120 ^f Processing equipment		X	
3132 ^f Vacuum pumps, n.e.s.		X	
3517 ^f Radio transmitter, transmitter amplifiers and sub-assemblies therefor, n.e.s.	X	X	

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List C (Continued)^c

Ranking 2-3 (Continued):

Footnotes:

- c. CIA, on the basis of the available intelligence, considers that only 41 items can be characterized as being of greatest strategic and economic significance to Communist China under present differential trade controls. These items are indicated by the letter (f) following the number.
- d. Groups ranked in order of economic and commercial significance.
- e. There are a significant number of items on the original differential list which by definition cover a broad list of specific items representing as a whole large requirements and investment. It was not possible to arrive at a firm rating for these items. However, both CIA and Defense agree that some portion of these categories could be down-rated. Pending further clarification and review of these broad categories they should be protected as items of greatest strategic-economic significance.
- f. See footnote c.

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List C (continued)

Brief Item Description	Japanese Priority	British List Priority	Ranking
	1	2	
Ranking 3: ^d			
C-101 ^f Acid (mineral) concentrating equipment, n.e.s.			
C-102 Ammonia oxidation equipment			
C-103 Antibiotics production equipment			
C-104 Liquid/liquid solvent extraction equipment, n.e.s.			
C-106 High vacuum (4.5 mm of mercury pressure absolute or less) freeze-drying equipment			
C-109 Hydrogen-producing equipment, n.e.s.			
C-110 Hydrogenation equipment, n.e.s.			
C-111 ^e Methanol oxidation equipment			
C-112 ^f Nitrators, n.e.s.			
C-114 Gas liquefying equipment and equipment for handling liquefied gas, designed for operation at pressures of 300 p.s.i. or over, n.e.s.			
C-115 Sulphur (natural) extraction equipment			
C-116 ^c Sulphur burners and pyrites roasters, n.e.s.			
C-118 Heat exchangers (tubular), n.e.s. for industrial processes and components thereof			
C-119 ^f Processing equipment operating at pressures over 200 p.s.i., n.e.s.			
C-120 ^c Distillation equipment (industrial)			
C-133 Valves and cocks, n.e.s.			

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List C (continued)

Brief Item Description	Japanese Priority	British List Priority
	1	2
Ranking 3: ^d (continued)		
C-141 ^e Gauges for measuring pressures over 1% atmospheres		
C-301 Foundry plant (equipment), n.e.s.		
C-303 Ionosphere recording apparatus, fully automatic		
C-505 ^f Coaxial electric cable of all types, n.e.s.		
C-507 Photoelectric cells with a peak sensitivity at a wave length longer than 7,000 Angstrom units, n.e.s.		
C-560 Balances of sensitivity of 0.01 milligram or better, n.e.s.		7
C-562 Cartographic instruments		7
C-563 Electric or electronic impulse registers or counters designed to operate at over 20 counts per second		7
C-564 Electronic heating instruments used in the metallurgical industry, n.e.s.		7
C-565 Geophysical prospecting equipment		7
C-569 Optical curve generators (grinders, surfacers, and polishers) and parts		7
C-570 Oscilloscopes (cathode-ray) with time bases shorter than 2 micro-seconds, n.e.s.		7
C-573 Quartz crystals and plates, n.e.s.		7
C-575 ^g Surveying instruments	X	7
C-579 X-ray tubes 1,000 P.K.V. and over		7

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List C (Continued)

Brief Item Description	Japanese Priority 1	British List Priority Ranking
Ranking 3: ^d		
C-580 Absorption meters, infra red		7
C-581 Densitometers measuring directly by photomultiplier tube	X	7
C-582 ^f Electrometers (except student type) n.e.s.		7
C-583 ^f Leak-detecting instruments, n.e.s.		7
C-585 Oscillographs, recording		7
C-617 ^f Single or multicore electric power cables insulated with paper and metal sheathed, etc., n.e.s.	X	2
C-664 Sulphur bearing pyrites	X	
C-820 ^f Tyres and tubes, n.e.s.	X	1
C-901 Abaca and sisal	X	16
3012 Combined internal and external cylindrical grinding machines		8
3018 Crankshaft, crankpin, camshaft grinder		8
3050 Automatic milling machines (cycle type)		8
3470 Diesel-electric, diesel and electric locomotives		5
3801 ^f Rubber (natural)		1

c. CIA, on the basis of the available intelligence considers that only 41 items can be characterized as being of greatest strategic and economic significance to Communist China under present differential trade controls. These items are indicated by the letter (f) following the number.

d. Groups ranked in order of economic and commercial significance.

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List C (continued)Ranking 3 footnotes continued:

- e. There are a significant number of items on the original differential list which by definition cover a broad list of specific items representing as a whole large requirements and investment. It was not possible to arrive at a firm rating for these items. However, both CIA and Defense agree that some portion of these categories could be down rated. Pending further clarification and review of these broad categories they should be protected as items of greatest strategic/economic significance.
- f. See footnote c.
- g. Japanese Short List of December 15, 1955. These are items on which Japanese would like U.S. agreement to exceptions requests in order to avoid Battle Act penalties.
- p. Partial

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Set C (continued)

Brief Item Description	Japanese Priority		British List Priority	
	1	2	Ranking	Priority
Ranking 4. ^d				
C-151	Petroleum refinery equipment, n.e.s.			
C-201 ^f	Electric furnaces, n.e.s., and electrical component parts therefor			9
C-250	Condenser tubes (seamless cupro-nickel)			
C-275	Water-tube boilers, n.e.s.			
C-303	Crucibles, artificial and natural graphite	X		
C-304	Separators (electrostatic) having a voltage of more than 1,000 volts across the air gap			
C-305	Sintering equipment for metallurgical purposes			
C-306 ^f	Tinning units, electrolytic-automatic continuous			
C-332	Tyre-curing presses, single or multiple cavity			
C-354 ^f	Machines used for applying metal strip or sheet			
C-355 ^f	Cable-making machinery for making multipair electric cables			
C-386 ^f	All tools n.e.s., including dies and slugs, incorporating diamonds			
C-387 ^f	All articles incorporating diamond abrasives, n.e.s.			
C-390	Graphite, small scrap and powder	X	X	X

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List C (continued)

Brief Item Description	Japanese Priority		British List Priority
	1	2	Ranking
Ranking 4: ^d			
C-485 Steel castings and forgings for marine and railroad equipment			
C-620 Platinum products		X	
C-641 Cadmium			
C-643 Ferro-chrome (low carbon), n.e.s.			
C-651 ^f Lithium			
C-655 Mercury and its compounds, n.e.s.			
C-658 Molybdenum compounds, n.e.s.			
C-660 Nickel catalysts			
C-661 ^f Potassium metal			15
C-662 Sodium (metallic)		X	
C-668 Vanadium			
C-670 Zirconium, n.e.s.			
C-801 Synthetic rubbers, n.e.s.			14
C-802 Rubber solution, n.e.s.			14
C-803 Masterbatch			14
C-841 Rubber hose and tubing made from neoprene and N-types rubbers only with $\frac{1}{2}$ " inner diameter and over			
C-910 Raw optical glass in the mass (tinted or untinted)			
C-930 Nylon products, n.e.s.			
2265 ^f Electric motors, n.e.s.		X	

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List C (continued)Ranking 4 footnotes:

- c. CIA, on the basis of the available intelligence considers that only 41 items can be characterized as being of greatest strategic and economic significance to Communist China under present differential trade controls. These items are indicated by the letter (f) following the number.
- d. Groups ranked in order of economic and commercial significance.
- e. There are a significant number of items on the original differential list which by definition cover a broad list of specific items representing as a whole large requirements and investment. It was not possible to arrive at a firm rating for these items. However, both CIA and Defence agree that some portion of these categories could be down-rated. Pending further clarification and review of these broad categories they should be protected as items of greatest strategic/economic significance.
- f. See footnote c.
- g. Japanese Short List of December 15, 1955. These are items on which Japanese would like U.S. agreement to exceptions requests in order to avoid Battle Act penalties.

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